

# **SPECIALTY AGRICULTURE**

## **UNIVERSITY RESEARCH GRANT PROGRAM**

**SUPPORTING THE GROWTH AND ECONOMIC DEVELOPMENT  
OF SPECIALTY AGRICULTURE ENTERPRISES IN VIRGINIA**

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### **Guidelines, Instructions and Application**

**Fiscal Year 2006**

**Administered by**

**The Virginia Department of Agriculture and Consumer Services**

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# **THE SPECIALTY AGRICULTURE UNIVERSITY RESEARCH GRANT PROGRAM**

## **Background**

In 2005, the Governor and the General Assembly created the Virginia Works Initiative to revitalize Virginia's rural economy. A major part of this Initiative involves the development and enhancement of specialty agriculture businesses that would provide opportunities for high value and value-added enterprises in rural Virginia. In conjunction and integrated with the economic development protocol for specialty agriculture is the need for Land Grant University Agriculture Research specifically directed to the development and viability of Specialty Agriculture opportunities. Thus the Governor made available an appropriation of Specialty Agriculture Research funds to be used by Virginia Tech University and Virginia State University for applied commercialization research in Specialty Agriculture.

The Virginia Department of Agriculture and Consumer Services (VDACS) is charged with the development and implementation of the Specialty Agriculture Initiative. As a part of that charge, VDACS will be administering the Specialty Agriculture Research Grants Program, and working closely with Virginia Tech and Virginia State in the development of Specialty Agriculture Research projects to support and enhance the economic development of Specialty Agriculture business ventures.

## **Intent of Program: Research Projects Accepted for Funding**

Priorities for use of Specialty Agriculture Research grant funds will include, but not be limited to, the following activities:

- Assisting farmers in transitioning into specialty, high value agricultural enterprises such as specialty crops and livestock, wood products, aquaculture, viticulture and other agricultural products
- Assisting farmers with improved production techniques for the development of specialty agriculture enterprises
- Increasing net farm income through high value or value-added enterprises
- Finding new ways to add value to specialty agricultural products
- Pilot and demonstration programs in specialty agriculture that have the potential for transferability within rural Virginia.

## PART I: QUALIFICATIONS AND REQUIREMENTS

### Application Requirements

- The application must be typed. Complete this form by either typing the information on the sheet provided or by completing the form in Microsoft Word by downloading this document from our web site at [www.vdacs.virginia.gov](http://www.vdacs.virginia.gov).
- Inquiries regarding the application process should be addressed to:  
Specialty Agriculture Project Manager  
Virginia Department of Agriculture Services  
P.O. Box 1163, Richmond, Virginia 23218  
(804) 786-3501  
[Agribusiness.VDACS@vdacs.virginia.gov](mailto:Agribusiness.VDACS@vdacs.virginia.gov)
- Applications will be accepted via mail, electronic mail, express delivery or hand delivery to the VDACS office in Richmond. Include at least one signed, unbound original and five copies (applications should not be permanently bound or submitted in a notebook). Applications sent electronically via e-mail must also submit one hard copy with original signatures. Send applications to:
  - Virginia Department of Agriculture and Consumer Services  
P.O. Box 1163, Richmond, VA 23218.
  - Electronically to [Agribusiness.VDACS@vdacs.virginia.gov](mailto:Agribusiness.VDACS@vdacs.virginia.gov)
  - *Applications must be received by 5:00 pm on September 15, 2005 to be considered for this funding cycle.*

### Eligible Applicants

- Applications will only be accepted from Virginia Tech and Virginia State University research and extension faculty engaged in the development of specialty agriculture research activities.

## **Non-Eligible Applicants and Uses of Funds**

Applications will **NOT** be accepted for any of the following:

- Any request for which 100% of the cost is expected to be borne by Specialty Agriculture Research Grant funds.
- Any request for reimbursement of expenses for activities completed prior to submission and approval of the application.
- Any request made by a for-profit entity or an individual, or any request for Specialty Agriculture Research grant funds to be granted directly to a for-profit entity or an individual.
- Requests to pay for essential government services normally paid for with general taxpayer funds, such as research equipment or faculty salaries.
- Requests that seek to replace operational funding for ongoing projects that have suffered losses of state or federal funding, or to supplant other local, state or federal funding.
- Staff support needed to implement the project.

## **Evaluation Criteria**

Approval and scoring of applications will be based, in part, upon the following:

### **Specialty Agricultural Development Potential** (up to 35 points)

- Needs Assessment and Market Opportunities (up to 10 points for valid and clear appraisal of magnitude of specialty agriculture need or market opportunity to be addressed by a project)
- Numbers of Farms/Farmers Served, Assisted, Trained or “Converted” (up to 10 points on increasing scale as project moves from achieving greater awareness/education of opportunities to highest points for measurable conversion of farms to specialty agriculture, products, and markets)
- Creating Additional Net Income/Wealth (up to 15 points for project’s ability to add income and wealth to farmers, agribusinesses and organizations in Virginia from specialty agricultural products, markets or value-added opportunities).

**Technical Merit** (up to 35 points)

- Thoroughness and Clarity of Request (up to 10 points for assessment of needs and opportunities, budget documentation, qualified project management, etc.)
- Financial Feasibility and Project Readiness (up to 15 points for identification of appropriate sources of funds, status/commitment of those funds, reasonable outline and timeframe of steps for project implementation)
- Technical Feasibility and Innovation (up to 10 points for viable and creative solutions that may additionally have potential for transferability, including project design and management, partnerships, funding mechanisms, incentives, etc.)

**Significance to Long Term Sustainability of Virginia Agriculture** (up to 30 points)

- Regional or Statewide Significance (up to 10 points for documented philosophical support from a cross-sector of vested farms, agribusinesses or organizations within a multi-jurisdiction region, with increasing points for financial participation)
- Long Term Solutions (up to 10 points for long-term, measurable and sustainable solutions to specialty agriculture needs or opportunities identified by the project)
- Knowledge Transfer (up to 10 points for potential for transferability of methodology and technology throughout Virginia)

Applications that include matching funds will receive higher consideration than requests that are based solely on Specialty Agriculture Research grant funds. Matching funds may include in-kind resources or direct cash contributions. While there is no required percentage of matching funds, any funds committed as matching funds must be spent concurrently with Specialty Agriculture Grant funds (i.e. past expenditures will not be counted as match). The submission of information regarding potential economic viability and marketability is strongly encouraged to demonstrate sound feasibility, management and sustainability.

<b>Application Review Process</b>
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Requests for funding will be reviewed by VDACS Agribusiness Development Services staff and presented to the Commissioner of Agriculture, who will make recommendations to the Secretary of Agriculture and Forestry for final action.

<b>Term of Grant</b>
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Unless agreed to by the Commissioner of Agriculture and the Secretary of Agriculture and Forestry, funding for all projects will be granted for one year only, and applicants must re-apply each year for ongoing projects. The accountability and reporting on the project during the year will serve as

justification for continued funding. Funding in one year, or for one phase of a multi-phase project, does not imply any future funding commitments.

### **Project Extensions**

Requests to change the project completion date will only be considered under extenuating circumstances. Such requests must be submitted to VDACS 60 days prior to the project completion date.

<h2><b>Award Administration</b></h2>
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### **Acknowledgement of Support**

An acknowledgement of the Specialty Agriculture Grant Program must appear in any publication or any significant event based on this project. Terms should include “This project is supported in part by the Specialty Agriculture Grant Program, Virginia Department of Agriculture and Consumer Services.”

### **Payment of Grant Funds**

Upon final approval all grantees must sign a Letter of Agreement stating that funds shall be used as described in the application. Funds are disbursed on a reimbursement basis, upon submission of a payment request form and adequate supporting documentation.

### **Reporting Requirements**

By signing the Letter of Agreement the grantee agrees to accountability and annual reporting requirements, including:

- A summary of total project costs and total amounts expended to date.
- Source of funds expended.
- Details on how the funds from the Specialty Agriculture Grant were used.
- Objectives accomplished during the year, based on original application for funds.
- Status of the project and estimated time and cost for completion.
- Report of any potential problems which will prevent timely completion of project.
- A copy of the most recent audited financial statements.

Failure to fulfill reporting requirements may be cause for withholding funding, withdrawal of funding or possible rejection of future proposals.

## **Audit and Reports**

Financial records, statistical records, supporting documents, and other records pertinent to this award shall be retained for a period of three years from submission of the Final Project Report. Records that relate to audits, appeals, litigation, or settlement of claims arising out of the performance of the project shall be retained until such audits, appeals, litigation, or claims have been disposed of. The Auditor of Public Accounts or any of their duly authorized representatives shall have access to any pertinent documents, books, papers, and records of the recipient organization to make audits, examinations, excerpts, and transcripts.

## **Site Visits**

VDACS and the Auditor of Public accounts, through their authorized representatives, have the right, at all reasonable times, to make site visits to review project accomplishments and management control systems, and to provide such technical assistance as may be required.

## **Safeguarding Funds**

In no case will Specialty Agriculture Grant funds be commingled with the personal funds of, or be used for personal purposes by, any officer, employee, or agent of the recipient; nor will any of these funds be deposited in personal bank accounts for disbursement by personal check.

## **Changes in Project Leader or Partners**

If any leader leaves the recipient organization or otherwise relinquishes control of the project, VDACS must be notified immediately. Transfer of the award to other organizations must be reviewed and approved by VDACS.

## **Withholding Payments**

VDACS reserves the right, upon written notice, to withhold future payments after a specified date if the recipient fails to comply with the conditions of the award, including reporting requirements.



## PART II: Instructions for Completing Application

Each proposal should include the following documents. Complete **all** information requested. Proposals that are incomplete and do not satisfy all the requirements are at risk of being disqualified and returned to the proposing organization without review. Each proposal must be in the following format with numbered pages:

Title Page.

Project Summary.

Specialty Agriculture Research Outcomes.

Financial Information: Sources of Funds.

Financial Information: Budgeted Expenditures.

Authorization.

Attachments

Up to three pages of additional Project Description

Project location map and other relevant graphics

Biographical sketches of Lead Project Personnel

Letters of support

### I. Title Page

The project title should be instructive, focused on the proposal and limited to 50 characters.

The total amount of funds requested must agree with the total line of the budget page.

Signatures of the Project Leader and Chief Executive/Official of the organization are required.

### II. Project Summary

In the space provided, describe the proposed project in layman's terms and suitable for distribution to the public. Do not include any proprietary information. The summary should provide a brief and clear description of the proposed project, and should **clearly indicate the uses/purposes for which Specialty Agriculture Grant funds will be used.**

Include the following: the problem, opportunity or need that will be addressed; the broad, long-range objectives of this project; the specific steps needed to successfully implement the project; and the significance of the project to specialty agriculture development.

Up to three additional pages describing the project may be included in the Attachments, but do not repeat information provided on the Project Summary page.

### **III. Specialty Agriculture Development Outcomes**

The specialty agriculture development outcomes must be described in detail in the space provided on this page, and should demonstrate how the anticipated effects of the research project are consistent with the development of high value or value-added specialty agriculture enterprises in Virginia. The outcomes should also be consistent with the long term objective of enhancing and sustaining the economic viability of Virginia agriculture through diversification from commodity-based agribusiness to high value consumer products. The project should measurably address the needs and opportunities of specialty agriculture enterprise development, including the following:

- Describe the direct and indirect benefits that can be expected to result from the project.
- Provide the amount of increased investment, potential income, number and quality of jobs and overall estimated value as a result of the research project (e.g. projected wages or salaries, type of work involved, skills required, etc.).
- Provide the potential number of farmers and agribusinesses served by the project.
- Indicate how the project could stimulate future specialty agriculture growth in Virginia.

### **IV. Financial Information: Sources of Project Funds**

The Specialty Agriculture Research Grant program will not fund 100% of any project's costs. While there is no minimum required percentage of matching funds, the project must include funding from other sources, and those funds must be used concurrently with program funds (project funds spent in previous years are evidence of commitment, but will not be considered a current match). Requests should convey that:

- ✓ other appropriate sources of funds have been, or will be, secured
- ✓ Specialty Agriculture Research Grant funds have been leveraged to the maximum extent possible, and
- ✓ future funding sources are sufficient to ensure sustainability of the project.

All project monies, whether received from another state agency or agencies, federal funds, local contributions or private investments, must be listed on this page. "Private investments" may include sources such as private equity, bank financing and fundraising contributions. "Other sources" may include earned interest or income, fees generated, in-kind contributions, etc. Indicate the purpose for which funds from other sources will be used, and the status of the funds (e.g. applied for, awarded, in-hand, reimbursable).

For projects that are being funded by more than one entity, the following information is required:

- A partnership agreement signed by each entity participating in the project.
- A description of the methodology by which Specialty Agriculture Research funds will be allocated among participating jurisdictions.
- An agreement as to which entity will be responsible for the project and reporting requirements.

- A letter, signed by an official of each participating entity, agreeing to the project and the terms of the partnership.

## **V. Financial Information: Budgeted Expenditures**

Each application must provide a detailed budget based on the information requested in the Application, as applicable to each request. Budget subheadings have been provided, based on the state government's Chart of Accounts. The budget form contains columns to indicate where the amount requested from Specialty Agriculture Research funds will be used, as opposed to funds received from other sources.

If start-up operating costs are being requested, clearly indicate in the Budget Narrative how other sources of funds will be secured in order to pay for operating costs beyond the start-up period.

\* (annual operating costs include these line items on the budget page: personal services; contractual services; continuous charges; and supplies and materials)

**Budget Narrative:** Include a page of narrative providing additional explanation of how, when and by whom the various sources of funds will be obtained and managed, the use of funds received from each source, budgets for distinct elements of a project (e.g. pre-development versus construction versus operation) and the long-term sustainability of the project.

## **VI. Authorization**

No application will be accepted without a signed resolution from the governing board of the entity making the application, authorizing submission of the application and stating that the person signing on behalf of the applying entity is accepting responsibility for the accuracy of the application and for the appropriate use of funds, should they be granted.

## **ATTACHMENTS**

## **VII. Additional Project Description**

In addition to information provided in the Project Summary, additional project description of no more than 3 pages (typed, double spaced) may include the following, plus any relevant graphics. Do not repeat information provided in the Project Summary.

- Additional description of the specialty agriculture research project and its projected impact
- evidence of the need for the project and the support of the agriculture community to be served by it
- additional summary of the project's objectives, anticipated outcomes and a timetable for meeting stated objectives

- any relevant graphics such as statistical charts, photographs, etc. may be submitted, but should be letter size (8 ½" by 11") and easily reproducible.

#### **VIII. Biographical Sketches**

- Provide a Curriculum Vitae, resume or biographical sketch of each person who has primary responsibility for developing and implementing the proposal.
- Information should clarify each person's project responsibilities, and highlight their qualifications to complete the research.

#### **IX. Letters of Support**

Attach letters providing evidence of support for the project.

# I. Application for FY06 Specialty Agriculture Research Grant - Title Page

<b>Project Title</b> (No more than 50 characters)		
<b>Name of Organization</b>	<b>Address of Organization</b>	
<b>Employer Identification Number</b>		
<b>PROPOSAL INFORMATION</b>		
<b>Requested Start Date:</b>	<b>Anticipated End Date:</b>	<b>Fiscal Year-End Date:</b>
<b>Requested Amount:</b>	<b>Total Project Cost:</b>	
<b>Is this proposal being submitted to another funding agency (State or Federal):</b> <input type="checkbox"/> Yes <input type="checkbox"/> No <b>If Yes, specify:</b>		
	<b>PROJECT LEADER</b>	<b>CHIEF EXECUTIVE</b>
<b>Full Name</b>		
<b>Title</b>		
<b>Organization</b>		
<b>Telephone Number</b>		
<b>Fax Number</b>		
<b>E-Mail Address</b>		
<b>Mailing Address</b>		
<b>Web Site Address</b>		
<b>Signature</b>		
<b>Date</b>		

## II: Project Summary:

Describe on this page the project for which you are requesting funds from the Specialty Agriculture Grant Program. Include all of the information requested in the Filing Instructions, including a clear description of how Grant funds will be used. Up to three additional pages of description may be included as an attachment.

<b>Project Title:</b>	

### **III. Specialty Agriculture Development Outcomes**

Describe on this page how your project will positively impact the economic opportunities for specialty agriculture in Virginia. Include all information requested in the Filing Instructions, including the specific methods and measures by which your project's effectiveness may be evaluated against needs or opportunities that will be addressed.

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**IV. Financial Information: Sources of Funds**

**Other Funding:**  
**Sources, Amounts, Status and Purpose**  
**State**



<b>Agency Name:</b>	_____
<b>Amount Received:</b>	\$ _____
<b>Status</b>	_____
<b>Purpose</b>	_____
<b>State</b>	_____
<b>Agency Name:</b>	_____
<b>Amount Received:</b>	\$ _____
<b>Status</b>	_____
<b>Purpose</b>	_____
<b>Federal</b>	_____
<b>Agency Name:</b>	_____
<b>Amount Received:</b>	\$ _____
<b>Status</b>	_____
<b>Purpose</b>	_____
<b>Local</b>	_____
<b>Name of Locality:</b>	_____
<b>Amount Received:</b>	\$ _____
<b>Status</b>	_____
<b>Purpose</b>	_____
<b>Private</b>	_____
<b>Source(s):</b>	_____
<b>Amount of Investment:</b>	\$ _____
<b>Status</b>	_____
<b>Purpose</b>	_____
<b>Other</b>	_____
<b>Source(s):</b>	_____
<b>Amount of Investment:</b>	\$ _____
<b>Status</b>	_____
<b>Purpose</b>	_____

**Explain how, when, and by whom the sources of funds will be obtained and managed:**

**For Multi-Organizational Projects:** Name all of the entities participating financially in this project. Specify the financial commitment from each entity and provide letters of agreement documenting their financial support as outlined in the Filing Instructions.

Entity	Amount	Status
	\$	
	\$	
	\$	
	\$	

## V: Financial Information: Budgeted Expenditures

Use this page to show the amount of each project activity that will be accomplished using Specialty Agriculture Research funds, as opposed to funds received from other sources. Use the Budget Narrative on the next page to describe how these funds will be used, provide additional detail for distinct elements of the program (e.g. construction versus operation), clarify future sources of operating funds, and explain how the estimated expenditures were determined.

### Proposed Project Budget

Beginning Date of Budget Period  
(no earlier than October 2005)

Ending Date of Budget Period

	<b>Spec. Ag. Funds</b>	<b>State</b>	<b>Federal</b>	<b>Local</b>	<b>Private</b>	<b>Other* (in-kind etc.)</b>	<b>Total</b>
<b>Personal Services</b> (Salaries, Wages, Benefits – <b>START-UP PROGRAMS ONLY</b> )	\$	\$	\$	\$	\$	\$	\$
<b>Contractual Services</b> (A&E, legal, telecom, printing, media, travel, training– <b>START-UP PROGRAMS ONLY</b> )							
<b>Supplies and Materials– START-UP PROGRAMS ONLY</b>							
<b>Transfer payments</b> (grants, scholarships, loans, etc.)							
<b>Continuous Charges</b> (insurance, lease payments, utilities– <b>START-UP PROGRAMS ONLY</b> )							
<b>Property &amp; Improvements</b> (land acquisition, site development, etc.)							
<b>Equipment</b> (computers, phones, furniture, fixtures, manufacturing equipment)							
<b>Plant &amp; Improvements</b> (building acquisition construction/renovation)							
<b>Bond or Loan Obligations</b>							
<b>TOTAL COSTS:</b>	\$	\$	\$	\$	\$	\$	\$

\* Other/in-kind contributions must be described in the Budget Narrative.

**Budget Narrative:** Describe how these funds will be used, provide additional budget detail for distinct elements of the program (e.g. field research versus special equipment), clarify future sources of operating funds, and explain how the estimated expenditures were determined.

## **VI. Authorization**

By signing this Application, the Authorizing Agent is guaranteeing that the information contained in this Application is correct and verifiable. The Authorizing Agent is also affirming that the funds requested herein will be used for the specific purpose outlined in this Application and for no other purpose. (Attach a resolution of the governing body of the applicant organization, authorizing this person to submit the application in the name of the organization.)

Name of Requesting Entity: \_\_\_\_\_  
Name of Authorizing Agent: \_\_\_\_\_  
Title of Authorizing Agent: \_\_\_\_\_  
Address of Authorizing Agent: \_\_\_\_\_  
Telephone Number: \_\_\_\_\_  
  
Signature of Authorizing Agent: \_\_\_\_\_  
  
Date: \_\_\_\_\_

## ***SUBMISSION ATTACHMENTS***

## **VII. Additional Project Description**

Additional project description is limited to three double-spaced, typed pages, plus any relevant graphics. See Instructions for details, but do not repeat information provided in the Project Summary. In addition to typed narrative:

- a map showing the project location if project is located on a University research farm or at an off-campus (on-farm) location is encouraged.
- other relevant graphics such as statistical charts, photographs, etc site are also encouraged, but should be letter size (8 ½" by 11") and easily reproducible.

## **VIII. Biographical Sketches**

Provide a Curriculum Vitae resume or other description of each project manager's qualifications. See Instructions for details.

## **IX. Letters of Support**

Attach letters providing evidence of support for the project.